

STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2004

	October-04				September-04				Current	Prior Year	3 Years	5 Years
	Allocation		Month		Allocation		Quarter		FYTD	FY04	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	6/30/2004	6/30/2004
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
Los Angeles Capital	485,087	2.2%	2.3%	-0.28%	486,381	2.2%	2.3%	-4.14%	-4.41%	N/A	N/A	N/A
Total Structured Growth	485,087	2.2%	2.3%	-0.28%	486,381	2.2%	2.3%	-4.14%	-4.41%	17.58%	-6.28%	-7.85%
Russell 1000 Growth				1.56%				-5.23%	-3.75%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>												
LSV	529,448	2.4%	2.3%	-0.21%	530,410	2.4%	2.3%	3.21%	3.00%	30.56%	9.33%	8.36%
Russell 1000 Value				1.66%				1.54%	3.23%	21.13%	2.96%	1.87%
<i>Russell 1000 Enhanced Index</i>												
LA Capital	1,040,987	4.6%	4.5%	0.45%	1,036,138	4.6%	4.5%	-1.68%	-1.24%	N/A	N/A	N/A
Russell 1000				1.61%				-1.81%	-0.23%	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>												
Westridge	1,022,604	4.5%	4.5%	1.55%	1,006,796	4.5%	4.5%	-1.99%	-0.48%	N/A	N/A	N/A
S&P 500				1.53%				-1.87%	-0.37%	N/A	N/A	N/A
<i>Index</i>												
State Street	307,687			1.53%	303,042			-1.88%	-0.39%	19.01%	-0.75%	-2.28%
Total Index	307,687	1.4%	1.5%	1.53%	303,042	1.4%	1.5%	-1.88%	-0.39%	19.01%	-0.75%	-2.28%
S&P 500				1.53%				-1.87%	-0.37%	19.11%	-0.70%	-2.21%
TOTAL LARGE CAP DOMESTIC EQUITY	3,385,813	15.0%	15.0%	0.67%	3,362,769	15.1%	15.0%	-1.42%	-0.77%	21.46%	0.15%	-1.39%
S&P 500				1.53%				-1.87%	-0.37%	19.11%	-0.70%	-2.21%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	1,185,712	5.3%	5.0%	2.26%	1,159,375	5.2%	5.0%	-3.60%	-1.42%	32.99%	5.51%	N/A
Russell 2000 + 200bp				2.14%				-2.36%	-0.28%	35.99%	7.90%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	1,185,712	5.3%	5.0%	2.26%	1,159,375	5.2%	5.0%	-3.60%	-1.42%	32.99%	5.54%	7.29%
Russell 2000				1.97%				-2.86%	-0.94%	33.36%	6.24%	6.63%
CONVERTIBLES												
TCW	2,262,816	10.0%	10.0%	1.36%	2,232,253	10.0%	10.0%	-4.35%	-3.05%	17.50%	1.03%	3.90%
First Boston Convertible Index				0.39%				-1.05%	-0.67%	14.16%	4.89%	5.75%
INTERNATIONAL EQUITY												
<i>Large Cap - Active</i>												
Capital Guardian	1,816,418	8.1%	8.0%	2.18%	1,778,848	8.0%	8.0%	-1.77%	0.38%	25.36%	-0.39%	0.54%
MSCI EAFE - 50% Hedged				2.12%				-0.72%	1.39%	26.98%	-1.27%	-2.14%
<i>Small Cap - Value</i>												
Lazard	247,933	1.1%	1.0%	3.70%	238,986	1.1%	1.0%	0.29%	4.00%	43.30%	N/A	N/A
Citigroup Broad Market Index < \$2BN				3.40%				-0.82%	2.55%	47.95%	N/A	N/A
<i>Small Cap - Growth</i>												
Vanguard	234,079	1.0%	1.0%	3.03%	227,049	1.0%	1.0%	0.49%	3.54%	44.68%	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				3.40%				-0.82%	2.55%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	2,298,429	10.2%	10.0%	2.43%	2,244,882	10.1%	10.0%	-1.31%	1.09%	29.16%	1.02%	1.39%
MSCI EAFE - 50% Hedged				2.12%				-0.72%	1.39%	26.98%	-1.27%	-2.14%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	3,965,575	17.6%	16.7%	0.90%	3,929,204	17.6%	16.7%	3.52%	4.46%	2.42%	7.77%	8.10%
Lehman Aggregate				0.84%				3.20%	4.06%	0.32%	6.35%	6.95%
<i>Index</i>												
Bank of ND	4,976,593	22.1%	25.0%	0.64%	4,944,668	22.2%	25.0%	2.54%	3.19%	0.07%	7.10%	7.25%
Lehman Intermediate Govt/Credit (1)				0.67%				2.71%	3.40%	-0.05%	6.97%	7.25%
<i>BBB Average Quality</i>												
Strong	2,228,206	9.9%	8.3%	1.12%	2,202,885	9.9%	8.3%	4.51%	5.68%	1.18%	N/A	N/A
Lehman US Credit BAA				1.03%				4.76%	5.84%	1.96%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	11,170,374	49.6%	50.0%	0.83%	11,076,757	49.7%	50.0%	3.27%	4.12%	0.79%	7.00%	7.45%
Lehman Govt/Credit				0.87%				3.56%	4.45%	-0.72%	6.73%	7.10%
CASH EQUIVALENTS												
Bank of ND	2,225,829	9.9%	10.0%	0.17%	2,221,762	10.0%	10.0%	0.44%	0.61%	1.20%	1.72%	3.39%
90 Day T-Bill				0.12%				0.37%	0.49%	0.98%	1.71%	3.30%
TOTAL FIRE & TORNADO FUND	22,528,972	100.0%	100.0%	1.03%	22,297,799	100.0%	100.0%	0.64%	1.68%	9.98%	4.82%	5.23%
POLICY TARGET BENCHMARK				1.02%				1.22%	2.26%	8.00%	4.52%	4.67%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.